



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, NOVEMBER 8, 2007
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CRM
(202) 514-2008
TDD (202) 514-1888

TWO FORMER VIRGIN ISLANDS COMMISSIONERS AND A LOCAL BUSINESSMAN INDICTED IN \$1.4 MILLION BRIBERY AND KICKBACK SCHEME

WASHINGTON – A federal grand jury in St. Thomas, Virgin Islands, has returned a 12-count indictment against the former Commissioner of the U.S. Virgin Islands Department of Planning and Natural Resources (DPNR), the former Commissioner of the Department of Property and Procurement (DP&P), and a local businessman, Assistant Attorney General Alice S. Fisher of the Criminal Division and U.S. Attorney Anthony J. Jenkins of the District of the Virgin Islands announced today.

The indictment charges former DPNR Commissioner Dean C. Plaskett, 42, and former DP&P Commissioner Marc A. Biggs, 42, with demanding and accepting a series of bribes and kickbacks in exchange for awarding approximately \$1.4 million in government contracts and then authorizing over \$1 million in progress payments, despite little or no work having been performed. Both defendants are charged with conspiracy to violate the federal program bribery statute and commit honest services mail fraud, as well as multiple counts of federal program bribery. Plaskett and Biggs are also charged, along with local businessman Leroy L. Marchena, 66, with multiple counts of obstructing justice, stemming from their attempts to thwart the joint federal and local investigation into the underlying bribery and kickback scheme.

To date, four individuals, including three other U.S. Virgin Islands government officials, have pleaded guilty to felony charges as a result of this investigation. Former DPNR Director of the Division of Environmental Protection Hollis L. Griffin, former Virgin Islands Fire Service employee Earl E. Brewley, and Atlanta businessman Esmond J. Modeste have pleaded guilty to conspiring to violate the federal program bribery statute, honest services mail fraud, and structuring currency transactions in furtherance of the underlying bribery and kickback scheme. Griffin was sentenced to four years in prison, Modeste was sentenced to 30 months in prison, and Brewley was sentenced to 21 months. The three were also ordered to pay approximately \$1.1 million in restitution. Most recently, former DPNR Director of Permits Brent E. Blyden pleaded guilty to conspiring to obstruct the joint federal and local investigation into the bribery and kickback scheme. He faces a maximum sentence of five years in prison, a \$250,000 fine, \$125,000 in restitution, and \$20,000 in criminal forfeiture.

According to court documents, in early 2000, Griffin, Brewley, Modeste, and others formed a sham business by the name of Elite Technical Services (Elite) and then used the entity, as well as other companies, to seek and be awarded at least seven government contracts valued at approximately \$1.4 million. The contracts were authorized and awarded by Plaskett, Biggs, Griffin and Blyden, and although little or no work was performed, they authorized progress payments totaling over \$1 million to Elite and the other complicit companies. Once the contract proceeds were negotiated, Modeste, Brewley, and others kept a portion of the illicit proceeds for themselves and paid cash bribes and kickbacks totaling between \$300,000-\$350,000 to at least four government officials including Plaskett, Biggs, Griffin and Blyden.

When the bribery and kickback scheme became the subject of an investigative report by the Virgin Island Daily News in January 2005, Plaskett, Marchena, Blyden, Modeste, Griffin, and others, implemented a scheme to obstruct any federal or local investigation. According to court papers, the obstruction of justice scheme continued throughout the joint federal and local criminal probe and included efforts to create backdated and fictitious documents designed to cover up the fact that certain contract work was never performed. Court documents also allege that the defendants corruptly solicited other persons and businesses to falsely document that work had been performed under the contracts involved in the bribery and kickback scheme, and made false declarations to the federal grand jury and to federal and local law enforcement officials.

If convicted on all counts, Plaskett faces a maximum of 82 years in prison and a \$2 million fine, Biggs faces a maximum of 37 years in prison and a \$1.25 million fine, and Marchena faces a maximum of 45 years in prison and a \$750,000 fine. All three defendants also face restitution and criminal forfeiture in excess of \$1 million.

This case is being prosecuted by Trial Attorneys Armando O. Bonilla and John P. Pearson of the Criminal Division's Public Integrity Section, headed by Chief William M. Welch II, in coordination with the U.S. Attorney's Office for the District of the Virgin Islands. The matter continues to be investigated by a task force comprised of agents from the Federal Bureau of Investigation, the Internal Revenue Service Criminal Investigation Division, the U.S. Postal Inspection Service, and the U.S. Environmental Protection Agency Office of the Inspector General. The Virgin Islands Office of the Inspector General also assisted in this investigation.

An indictment contains only allegations and defendants are presumed innocent unless and until proven guilty.

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